

OPINION
59-86

June 10, 1959 (OPINION)

EDUCATION

RE: Organization and Dissolution of Special School Districts
 - Adjacent Territory Attached - Adjustment of Assets
 and Liabilities

We have received your letter with reference to interpretation of section 15-4719 of the North Dakota Revised Code of 1943.

Your problem arises where an annexing district under section 15-2714 of the North Dakota Revised Code of 1943 has offered territory to be annexed to become annexed without assuming any part of the bonded indebtedness of the annexing district.

Section 15-4719 provides for a board of arbitration in cases of a change in boundaries of school districts. Section 15-4720 provides that said board shall take into account assets, money on hand and debts of the school districts involved and shall levy such tax against each as shall in its judgment equalize their several interests justly and fairly.

It would appear that the board of arbitration can make such adjustments and levy such taxes as will equalize the assets and liabilities of each district and in their judgment will result in a just and fair settlement between the districts involved. We believe any adjustment made by the board must have a sound and fair basis and must not be based solely on expediency or exigencies of the moment.

With reference to your second question, this office has held that when section 15-5314 speaks about voters residing within the territory of each district, it means any person who is an elector therein and not necessarily physical residence.

LESLIE R. BURGUM

Attorney General